

Message Text

SECRET

PAGE 01 MADRID 08215 281927Z
ACTION PM-03

INFO OCT-01 SS-14 ISO-00 INR-05 CIAE-00 NSAE-00 EA-06
EUR-08 OMB-01 TRSE-00 /038 W
-----106886 281951Z /64

P 281912Z OCT 77
FM AMEMBASSY MADRID
TO SECSTATE WASHDC PRIORITY 2274
INFO SECDEF WASHDC
CNO WASHDC
USCINCEUR VAIHINGEN GER
DIA WASHDC
CINCUSNAVEUR LONDON ENG
COMSIXTHFLT NAPLES IT
COMNAVINTCOM ALEXANDRIA VA
USDAO CANBERRA
AMEMBASSY CANBERRA

S E C R E T MADRID 08215

LIMDIS

E.O. 11652: XGDS-1
TAGS: PCAT, SP
SUBJECT: SEA CONTROL SHIP FOR SPAIN - POSSIBLE THIRD
COUNTRY SALE TO AUSTRALIA

REF: (A) STATE 210482 (DTG 020109Z SEP 77)
(B) USDAO MADRID 061500Z OCT 77

1. WE HAVE LEARNED FROM THE AUSTRALIAN EMBASSY THAT THE
VISIT EARLIER THIS WEEK TO MADRID OF TWO AUSTRALIAN NAVAL
OFFICERS (ONE FROM CANBERRA, THE OTHER FROM LONDON) TO
DISCUSS THE POSSIBILITIES OF AUSTRALIAN PURCHASE OF A
SPANISH-BUILT SEA CONTROL SHIP MAY HAVE HEIGHTENED
AUSTRALIAN INTEREST IN SUCH AN ARRANGEMENT.

SECRET

SECRET

PAGE 02 MADRID 08215 281927Z

2. THE TWO VISITORS WERE WARMLY RECEIVED BY SENIOR
SPANISH NAVAL OFFICIALS, INCLUDING THE CHIEF OF STAFF OF
THE NAVY, AND BY BAZAN SHIPYARD EXECUTIVES. THEY WERE
TOLD THAT SPANISH PLANS FOR BUILDING A SEA CONTROL SHIP
ARE NOW FAR ADVANCED, SPECIFICALLY THAT LONG LEAD-TIME
ITEMS ARE TO BE ORDERED IN MID-1978; PROJECT DEFINITION
IS TO BE COMPLETED BY THE SPRING OF 1978 WHEN THE

CURRENT CONTRACT WITH GIBBS AND COX (COST: ROUGHLY 300 MILLION PESETAS) EXPIRES; AND CONSTRUCTION IS TO BEGIN SOMETIME IN 1979.

3. SPANISH OFFICIALS REPORTEDLY ALSO TALKED OPTIMISTICALLY ABOUT THE POSSIBILITIES OF THIRD COUNTRY SALES, MENTIONING ARGENTINA, AND INDICATING THAT THEY ENVISAGED NO PROBLEM IN THIS REGARD SINCE THEY HAD PURCHASED THE SEA CONTROL SHIP DESIGN AND IT WAS THEREFORE SPANISH PROPERTY.

4. THE TWO AUSTRALIAN NAVAL OFFICERS REPORTEDLY DISPLAYED CONSIDERABLE INTEREST IN A POSSIBLE PURCHASE FROM SPAIN OF A SINGLE SHIP. THEIR OWN PROJECTION OF AUSTRALIAN NAVY NEEDS (A 10-20,000 TON SHIP AVAILABLE IN ABOUT ONE AND ONE-HALF YEARS) ROUGHLY MATCHES CURRENT SPANISH PRODUCTION PLANS. THE SPANISH WERE MENTIONING A PRICE OF 250 MILLION DOLLARS; HOWEVER, OUR SOURCE DID NOT KNOW EXACTLY WHAT THIS WOULD INCLUDE.

5. THE TWO AUSTRALIAN NAVAL OFFICERS HAD BEEN IN WASHINGTON PRIOR TO COMING TO MADRID BUT APPARENTLY HAD NOT DISCUSSED THIS MATTER THERE. THEY APPARENTLY LEFT MADRID WITH THE INTENTION OF INITIATING SOME CONTACTS WITH APPROPRIATE US OFFICIALS IN WASHINGTON ON THIS MATTER. THEY ARE AWARE, THROUGH OUR OWN CONFIDENTIAL

SECRET

SECRET

PAGE 03 MADRID 08215 281927Z

DISCUSSIONS WITH THE AUSTRALIAN EMBASSY, THAT NO FINAL US DECISION ON THE QUESTION OF THIRD COUNTRY SALES HAS YET BEEN COMMUNICATED TO THE SPANISH GOVERNMENT. (COMMENT: THIS AWAITS THE WASHINGTON REVIEW, NOW IN PROCESS, OF REF A.) EATON

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SHIPS, GOVERNMENT PROCUREMENT, MILITARY SALES
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Oct-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MADRID08215
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X1
Errors: N/A
Expiration:
Film Number: D770397-0434
Format: TEL
From: MADRID
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771011/aaaaairs.tel
Line Count: 99
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0ba6c924-c288-dd11-92da-001cc4696bcc
Office: ACTION PM
Original Classification: SECRET
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: LIMDIS
Reference: 77 STATE 210482
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 756732
Secure: OPEN
Status: NATIVE
Subject: SEA CONTROL SHIP FOR SPAIN - POSSIBLE THIRD COUNTRY SALE TO AUSTRALIA
TAGS: PCAT, SP, AU
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/0ba6c924-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009